

Education and Workforce Development Cabinet

Kentucky's jobless rate remains at 9.8 percent in April

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Editor's Note: Preliminary April and revised March labor market information are included in this release.

FRANKFORT, Ky. — Kentucky's seasonally adjusted preliminary unemployment rate for April 2009 was unchanged from the revised 9.8 percent in March 2009, according to the Office of Employment and Training (OET), an agency of the Kentucky Education and Workforce Development Cabinet. April 2009's jobless rate is 3.7 percentage points higher than the 6.1 percent rate recorded in April 2008.

"Despite job losses across the board, Kentucky's unemployment rate held steady in April 2009 at a 25-year high of 9.8 percent. This is a result of individuals who have faced long-term unemployment becoming discouraged and dropping out of the labor force," said Dr. Justine Detzel, OET chief labor market analyst.

The U.S. seasonally adjusted jobless rate rose from 8.5 percent in March 2009 to 8.9 percent in April 2009, according to the U.S. Department of Labor.

Unemployment statistics are based on estimates and are compiled to measure trends rather than actually to count people working.

Two of the 11 major nonfarm North American Industry Classification System (NAICS) job sectors reported an employment increase in April 2009, while eight decreased and one stayed the same, according to OET. A decline of 8,000 jobs in April 2009 brought Kentucky's nonfarm employment to a seasonally adjusted total of

1,788,400. Since April 2008, Kentucky's nonfarm employment has plummeted by 72,500.

"This marks the fourteenth month in a row of year-over-year employment decreases and the largest year-over-year drop on records dating back to January 1990," Detzel said.

According to the seasonally adjusted employment data, the construction sector recorded 400 more positions in April 2009. Since April 2008, employment in the construction sector has plunged by 13,600 positions.

"This represents the first employment increase since October 2008, reflecting strength in heavy and civil engineering. An influx of funds from the federal stimulus plan contributed to the public work construction projects started in April 2009," Detzel said.

The mining and logging sector had 200 more jobs in April 2009. The sector has added 3,000 jobs since April 2008 because of hiring in the coal mining industry.

The state's other services sector, which includes such establishments as repair and maintenance businesses, personal and laundry services, religious organizations and civic and professional organizations, remained at the same level from March 2009 to April 2009. This sector had 2,200 fewer jobs in April 2009 than April 2008.

Kentucky's manufacturing sector lost 2,400 jobs in April 2009. Compared to April 2008, jobs in the sector plummeted by 36,600.

"The durable goods subsector accounted for the majority of the year-over-year employment decrease particularly in industries connected to automobile manufacturing. The non-durable good subsector also exhibited significant job losses, which is indicative of layoffs across the board from food manufacturers to clothing producers," said Detzel.

The government sector, which includes public education, public administration agencies and state-owned hospitals, decreased by

1,600 positions in April 2009. The sector has 4,000 fewer jobs compared to April 2008.

The number of jobs in the professional and business services sector declined by 1,600 positions in April 2009. This area has lost 7,000 employees since April 2008. The professional and business services sector includes professional, scientific and technical services, management of companies and administrative and support and waste management, including temporary help agencies.

The state's leisure and hospitality sector reported an employment decrease of 1,500 jobs in April 2009. Since April 2008, employment in the sector remained steady at 172,200. The leisure and hospitality sector includes arts, entertainment and recreation, accommodations and food services and drinking places industries.

The financial activities sector lost 700 positions in April 2009. This segment, which includes businesses involved in finance, insurance, real estate and property leasing or rental, has dropped 2,200 positions over the past 12 months.

Kentucky's trade, transportation and utilities sector had 400 fewer jobs in April 2009. This area includes retail and wholesale trade, transportation and warehousing businesses and utilities. It is the largest sector in Kentucky with 371,900 employees. Since April 2008, the number of jobs in this sector has fallen by 11,400.

"Over the last year, consumers have been battered by job losses, financial turmoil and a plunging stock market. As households tightened their belts, retailers suffered declining sales, enacted layoffs and closed underperforming stores. Job losses in the transportation, warehousing, and utilities industry reflect reductions at transportation companies, the closings of two transportation businesses, layoffs at a warehouse, and three warehouses closing," said Detzel.

The state's educational and health services sector decreased by 300 jobs in April 2009. Since last April, the number of jobs in this sector has increased by 2,000. This sector includes private and nonprofit

establishments that provide either education and training or health care and social assistance to their clients.

The information sector recorded 100 fewer jobs in April 2009. This segment, which includes firms involved in publishing, Internet activities, data processing, broadcasting and news syndication, has lost 500 positions since April 2008.

The U.S. Bureau of Labor Statistics' monthly estimate of the number of employed Kentuckians for April 2009 was 1,871,433 on a seasonally adjusted basis. This figure is down 5,988 from the 1,877,421 employed in March 2009, and down 40,562 from the 1,911,995 employed in April 2008.

The monthly estimate of the number of unemployed Kentuckians for April 2009 was 204,026, down 864 from the 204,890 Kentuckians unemployed in March 2009, but up 79,823 from the 124,203 unemployed in April 2008.

The monthly estimate of the number of Kentuckians in the civilian labor force for April 2009 was 2,075,459. This figure is down 6,852 from the 2,082,311 recorded in March 2009, but up 39,261 from the 2,036,198 recorded for April 2008.

Civilian labor force statistics include non-military workers and unemployed Kentuckians who are actively seeking work. They do not include unemployed Kentuckians who have not looked for employment within the past four weeks.

Kentucky's statewide unemployment rate and employment levels are seasonally adjusted. Employment statistics undergo sharp fluctuations due to seasonal events, such as weather changes, harvests, holidays and school openings and closings. Seasonal adjustments eliminate these influences and make it easier to observe statistical trends. However, because of the small sample size, county unemployment rates are not seasonally adjusted.

Learn more about the Office of Employment and Training at www.workforce.ky.gov.

A complementary experimental hours and earnings series is available at <http://www.bls.gov/sae/saeaepp.htm>.

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